Zogenix Secures $35 Million Debt Facility and Raises $15 Million Investment Capital

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SAN DIEGO, July 13 /PRNewswire/ -- Zogenix, Inc. ("Zogenix"), a privately held pharmaceutical company, announced that it has secured a $35 million debt facility led by Oxford Finance Corporation which also included Silicon Valley Bank. The facility consists of a $25 million term loan and a $10 million revolving line of credit. Concurrently, all existing Zogenix investors, including Clarus Ventures, Domain Associates, Scale Venture Partners, Thomas, McNerney & Partners, Abingworth Management, and Chicago Growth Partners, have provided an additional $15 million investment.

The financing will be used to satisfy working capital needs in the commercial launch of SUMAVEL™ DosePro™ (sumatriptan injection) needle-free delivery system, the company's first FDA-approved product, and the ongoing Phase 3 clinical development program of ZX002, a novel oral controlled-release formulation of hydrocodone without acetaminophen for the treatment of chronic pain. Proceeds will also be used to fully repay the outstanding balance of an existing term loan.

"This funding enhances our financial strength as we continue to focus on the successful launch of our first product, SUMAVEL DosePro," said Ann Rhoads, chief financial officer at Zogenix. "The additional support from our investors represents their commitment to the growth of our company and the development of our pipeline."

"Oxford is pleased to participate in the financing package Zogenix has secured to further the growth of its company," said Chris Herr, managing director of Oxford Finance Corporation. "Zogenix has a strong management team that
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